

**CENTRE COUNTY, PENNSYLVANIA
RESOLUTION #10 OF 2015**

**A RESOLUTION SUPPORTING THE FORMATION OF A CENTRAL
PENNSYLVANIA NONPROFIT COOPERATIVE CORPORATION TO PROVIDE
NATURAL GAS SERVICE WITHIN CERTAIN UNSERVED OR UNDERSERVED
AREAS**

WHEREAS, Pennsylvania's shale gas resources are providing new long-term opportunities for supporting the state's economic growth and energy needs, and natural gas is increasingly being utilized as a source of environmentally cleaner power for industries, businesses, and residences; and

WHEREAS, there are significant areas of Centre County, and its neighboring counties, which currently are unserved or underserved by natural gas distribution companies; and

WHEREAS, better delivery systems and the expansion of existing infrastructure are needed to make natural gas available to the unserved or underserved areas of Centre County and its neighboring counties; and

WHEREAS, SEDA-Council of Governments ("SEDA-COG"), established under the Intergovernmental Cooperation Act of July 12, 1972, No. 180 (53 P.S. § 481, *et seq.*), serves eleven central Pennsylvania counties, including Centre County; and

WHEREAS, SEDA-COG and its legal consultant have conducted a Regional Gas Utilization Initiative ("RGUI") study to: evaluate the feasibility of providing increased access to natural gas utility service, identify opportunities for providing natural gas service to existing industrial sites and parks, and residential areas, identify key investments in natural gas infrastructure that will help sustain existing and new industrial activity within its region, including within Centre County, and examine options for establishing a decision-making body tasked with developing and constructing these investments; and

WHEREAS, as a result of the RGUI, SEDA-COG has recommended: (i) the formation of a nonprofit cooperative corporation, under the Pennsylvania Cooperative Corporation Law of 1988 (15 Pa.C.S. § 7101, *et seq.*), to provide natural gas service to consumers located in certain unserved or underserved areas within its region; (ii) that the subject nonprofit cooperative corporation be structured and organized to meet all aspects of a "bona fide cooperative association", exempt from the jurisdiction and control of the Pennsylvania Public Utility Commission ("PUC") under Section 102 of the Public Utility Code (66 Pa.C.S. § 102); and (iii) that the subject nonprofit cooperative corporation voluntarily adopt consumer protection termination of service restrictions consistent with PUC termination of service regulations at 52 Pa. Code §§ 56.321 – 56.361.

NOW THEREFORE, BE IT RESOLVED, by the Centre County Board of Commissioners that it supports the formation of a nonprofit cooperative corporation to provide natural gas service to consumers located in unserved or underserved areas within its region, as recommended by SEDA-COG; and be it further

RESOLVED, that Centre County is hereby authorized to participate with other central Pennsylvania counties in the SEDA-COG area in the formation of the said nonprofit cooperative corporation, provided however that this Resolution commits no Centre County funds for the formation of the said nonprofit cooperative corporation, and that any such authorization shall be subject to an express action by the Centre County Board of Commissioners; and be it further

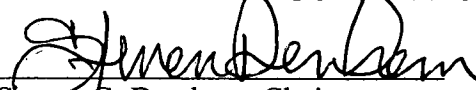
RESOLVED, that, along with representatives of other participating central Pennsylvania counties in the SEDA-COG area, the Chairman of the Centre County Board of Commissioners, or his designee, is hereby authorized to execute, as an incorporator, Articles of Incorporation associated with the formation of the said nonprofit cooperative corporation, for filing with the Pennsylvania Department of State; and be it further


RESOLVED, that the Centre County Board of Commissioners are authorized to designate two or more persons to serve on the initial Board of Directors of the said nonprofit cooperative corporation (with the number of such designees to be determined after the total number of initial directors of the said nonprofit cooperative corporation is determined); and be it further

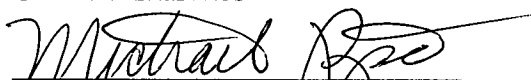
RESOLVED, that the Chairman of the Centre County Board of Commissioners is authorized to do and take all other actions deemed necessary, desirable, and convenient or appropriate for the implementation of the foregoing Resolution.

Adopted this 22nd day of December, 2015

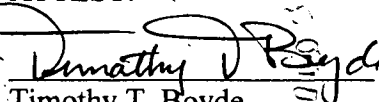
CENTRE COUNTY COMMISSIONERS


Steven G. Dershem, Chairman


C. Chris Exarchos


Michael Pipe

ATTEST:


Timothy T. Boyde
Administrator